



AMERICAN MEDICAL RESPONSE®

July 16, 2013

The Honorable Councilmember
Carol Fukunaga, Chair
Committee on Public Safety and Economic Development
Honolulu, Hawaii 96813

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C & C OF HONOLULU
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RE: Resolution 13-158- Back Up Ambulance Service

Dear Chair Fukunaga,

Resolution Number 13-158 states incorrectly that there is a "need" for a second back up ambulance provider for the City and County to provide backup services.

In the past 18 months, the State Health Planning and Development Agency (SHPDA) have accepted applications regarding the need for additional private ambulance service on Oahu. Two (2) companies applied for a Certificate of Need with SHPDA. The CON process has three (3) hearings: the SAC (Sub-area Council) whose membership includes those of the local communities impacted by the proposed services; the CON (Certificate of Need) Review Panel whose membership includes SAC member(s) and who focus on the details of the CON application; and the SHCC (Statewide Healthcare Coordinating Committee) who has membership from the entire State and views the impact of the proposed service to health care services locally and statewide.

Each of these panels evaluates whether a need for additional services exists, the viability of the financial plan, availability of resources, and the impact to the existing health care system. After these hearings are concluded, the SHPDA Administrator makes the final determination as to "need". That decision is also subject to a challenge hearing.

Recently, there have been six (6) hearings that have been held by SHPDA in response to applications by Hawaii Medical Response and Kokua Ambulance Service. In both cases, the SAC (made of local residents to evaluate need) made motions to deny a Certificate of Need. In both cases, there was not a single vote to support the need of an additional private ambulance service on Oahu. In both cases, the SHCC made a motion to deny the applications and in both cases the votes were overwhelming to deny the application because there was found to be no unmet need. Kokua Ambulance withdrew their application after these hearings disclosed

that there was no significant unmet need for ambulance services on Oahu. After being denied in both initial hearings, Hawaii Medical Response's application was unanimously denied in the 3rd hearing, was denied by the SHPDA Administrator's report, and unanimously denied in their challenge of the Administrator's report.

It is important to note that in each of these hearings, no motion was ever made to approve the application of either company. At no point in any of these hearings was there a single vote to state that there is an additional need for another ambulance service. In each of these hearings, it was clearly stated during the deliberations of each panel that a second private ambulance company could do harm to the existing EMS system on Oahu. Further, it was stated that a second private service could do significant harm to the EMS system statewide as was demonstrated in previous experiences with competing agencies in this limited market. And throughout these diverse hearings it was repeatedly stated that increased use of the existing resources was the best remedy for system efficiency and to improve costs and benefits for the people of Oahu. In fact, Kokua Ambulance's proposal was so ignorant of the Hawaii EMS system that their application did not even include a dispatch component or budget.

This resolution incorrectly states there is a need for a second private ambulance provider on Oahu when six (6) separate and different panels stated there is absolutely no need for a second private ambulance service.

Since there is no other private ground ambulance service on Oahu who would even be eligible to bid to provide HESD services, and since six (6) different SHPDA Committee hearings looked intensively at this issue and found there is NO NEED for another private ambulance service, this Resolution should be denied.

Sincerely,

Chris Botelho, Field Supervisor
American Medical Response